

## Message Text

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21  
ORIGIN SS-25

INFO OCT-01 ISO-00 SSO-00 /026 R

DRAFTED BY PM/NPO:LVNOSENZO/DS  
APPROVED BY PM/NPO:LVNOSENZO  
ACDA-MR. VAN DOREN  
OES-MR. KRATZER  
OES - MR. BENGELSDORF  
S/P - MR. KAHAN  
C - MR. KELLY IO/SCT-MR LANCETTI  
ERDA - MR. SIEVERING  
S/S -FVORTIZ IAEA - AMB. TAPE  
PM - MR. VEST

----- 095379

P 222244Z OCT 75  
FM SECSTATE WASHDC  
TO USMISSION IAEA VIENNA PRIORITY  
AMEMBASSY BONN PRIORITY  
AMEMBASSY LONDON PRIORITY  
AMEMBASSY TOKYO PRIORITY  
AMEMBASSY PARIS PRIORITY  
AMEMBASSY MOSCOW PRIORITY  
AMEMBASSY OTTAWA PRIORITY

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EXDIS

E.O. 11652: GDS TAGS: PARM

SUBJECT: NUCLEAR SUPPLIERS CONFERENCE AND BRITISH IAEA

1. US TEAM HEADED BY VEST MET WITH UK OFFICIALS THOMSON, WILMHURST AND BROWN ON OCTOBER 17 AND 18 TO DISCUSS UK FORMULA FOR COMPROMISE ON FULL FUEL CYCLE SAFEGUARDS ISSUE IN NUCLEAR SUPPLIERS CONFERENCE AND ASSOCIATED UK RESOLUTION IN IAEA.

2. PRINCIPAL ISSUE CONCERNED INTENT AND NATURE OF PRO-  
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POSED IAEA RESOLUTION. AFTER EXTENSIVE DISCUSSION,

FOLLOWING COMPROMISE WAS REACHED: BRITISH AGREED TO DROP ORIGINAL FORMULATION REQUESTING DG TO PREPARE AND BG TO APPROVE "MODEL" FULL FUEL CYCLE SAFEGUARDS AGREEMENT IN FAVOR OF REVISED FORMULATION (1) REQUESTING DG TO PREPARE SUCH A SAFEGUARDS AGREEMENT AND (2) CALLING FOR STATES INTERESTED IN PLACING ALL THEIR FACILITIES UNDER SAFEGUARDS TO ENTER INTO NEGOTIATIONS.

3. US DEL ALSO CONDITIONED US SUPPORT ON (1) USE OF INF CIRC/153 AS TECHNICAL BASIS FOR NEW AGREEMENT (I.E., ELIMINATING NPT REFERENCE AND OTHER APPROPRIATE MODIFICATIONS WITH NO REPEAT NO WEAKENING OF PNE PROHIBITION) AND (2) NO ATTEMPT TO SUPPLANT NPT SAFEGUARD AGREEMENTS WITH "NEW" AGREEMENT.

4. SCENARIO WOULD CALL FOR DG TO DEVELOP SAFEGUARDS AGREEMENT BASED ON INF CIRC/153 FOR USE BY STATES WITH "POLITICAL" PROBLEM VIS-A-VIS JOINING NPT BUT OTHERWISE RECEPTIVE TO PLACING ALL THEIR NUCLEAR FACILITIES UNDER SAFEGUARDS. KEY SUPPLIERS (WITH THE EXCEPTION OF FRANCE WHO WOULD BE "BENEVOLENTLY NEUTRAL") WOULD ENCOURAGE SUCH STATES TO NEGOTIATE A FULL FUEL CYCLE SAFEGUARDS AGREEMENT. BG WOULD ONLY BE ASKED TO ACT ON ACTUAL AGREEMENT BETWEEN AGENCY AND MEMBER STATE, NOT APPROVE MODEL AGREEMENT IN THE ABSTRACT.

5. ALTHOUGH DANGER STILL EXISTS WITH REVISED APPROACH THAT RESOLUTION COULD RESULT IN REQUEST IN BG TO REOPEN SAFEGUARDS COMMITTEE, PRESSURE FOR REOPENING WITH REVISED APPROACH SHOULD BE APPRECIABLY LESSENED. FYI: UK POLITICALLY COMMITTED AT HIGHEST LEVELS ON ISSUE OF "NEW" SAFEGUARDS AGREEMENT TO ENCOURAGE PROBLEM COUNTRIES TO ACCEPT FULL FUEL CYCLE SAFEGUARDS. END FYI

6. TEXT OF AGREED SUPPLIERS CONFERENCE FORMULA AND IAEA RESOLUTION FOLLOWS: BRACKETED LANGUAGE IN PARA (F) OF RESOLUTION IS US SUGGESTED DELETION ON WHICH UK HAS RESERVED ITS POSITION.

7. SUPPLIERS CONFERENCE COMPROMISE:  
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PARA 4 - SUPPLIERS WOULD AGREE TO TRANSFER TRIGGER LIST ITEMS ONLY WHEN COVERED BY IAEA SAFEGUARDS, WITH DURATION AND COVERAGE PROVISIONS IN CONFORMANCE WITH THE GOV/1621 GUIDELINES. EXCEPTIONS WOULD BE MADE ONLY AFTER CONSULTATION WITH THE PARTIES TO THIS UNDERSTANDING.

PARA 5 - BEFORE THE END OF 1976 SUPPLIERS WOULD JOINTLY RECONSIDER THEIR COMMON SAFEGUARDS REQUIREMENTS.

PARA 6 - THE EXPORT OF TRIGGER LIST ITEMS WOULD BE GREATLY FACILITATED IF EACH RECIPIENT COUNTRY ACCEPTED IAEA SAFEGUARDS ON ITS FULL FUEL CYCLE. WHETHER COUNTRIES ACCEPT SUCH SAFEGUARDS IS A MATTER FOR THEIR SOVEREIGN DECISION. THE CHANCES THAT RECIPIENT COUNTRIES WILL WISH TO ACCEPT SUCH SAFEGUARDS WOULD BE INCREASED IF THE IAEA WERE TO SET UP COMPREHENSIVE SAFEGUARDS ARRANGEMENTS TO THIS END.

PROPOSED IAEA RESOLUTION:

(A) MINDFUL OF THE ROLE GIVEN TO THE AGENCY BY ARTICLE

III(5) OF ITS STATUTE TO QUOTE ESTABLISH AND ADMINISTER SAFEGUARDS UNQUOTE

(B) NOTING THE DECLARED INTENTION OF NON-NUCLEAR WEAPON STATES, WHETHER OR NOT PARTIES TO THE NON-PROLIFERATION TREATY, TO CONFINE THEIR NUCLEAR PROGRAMMES TO PEACEFUL PURPOSES:

(C) BELIEVING THAT IAEA SAFEGUARDS PLAY AN IMPORTANT ROLE IN GIVING ASSURANCE THAT NUCLEAR PROGRAMMES ARE NOT USED TO FURTHER ANY MILITARY PURPOSE:

(D) BELIEVING FURTHER MORE THAT DESIRABLE COMMERCIAL AND SCIENTIFIC EXCHANGES WOULD BE FACILITATED BY THE APPLICATION OF A COMPREHENSIVE SAFEGUARDS SYSTEM:

(E) RECALLING THE DIRECTOR-GENERAL'S SPEECH TO THE SECRET

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GENERAL CONFERENCE ON 22 SEPTEMBER 1975, IN WHICH HE STATED THAT IT IS CLEARLY ESSENTIAL THAT THE AGENCY'S SAFEGUARDS BE APPLIED TO ALL NUCLEAR ACTIVITIES IN THE NON-NUCLEAR WEAPON STATES:

(F) CONSIDERING THAT THESE OBJECTIVES WOULD BE FORWARDED AND CONFIDENCE ENHANCED IF ALL STATES CONCERNED ACCEPTED THE APPLICATION TO ALL THEIR NUCLEAR FACILITIES OF AGENCY SAFEGUARDS (HAVING A COMMON TECHNICAL BASIS):

(G) RECOGNIZING THAT THE AGENCY HAS, OVER A PERIOD OF YEARS, ACQUIRED CONSIDERABLE EXPERIENCE IN THE APPLICATION OF SAFEGUARDS AND THE IMPLEMENTATION OF SAFEGUARDS AGREEMENTS, AND THAT EXISTING SAFEGUARDS AGREEMENT OFFER AN APPROPRIATE TECHNICAL BASIS FOR THE APPLICATION OF

SAFEGUARDS TO ALL CIVIL NUCLEAR ACTIVITIES AND WISHING  
TO MAKE THE BEST POSSIBLE USE OF THIS EXPERIENCE:

1. REQUESTS THE DIRECTOR-GENERAL TO PREPARE, FOR USE  
BY STATES INTERESTED IN ARRANGING FOR AGENCY SAFEGUARDS  
ON ALL THEIR NUCLEAR ACTIVITIES, A DOCUMENT SETTING OUT  
THE POSSIBLE CONTENT OF SAFEGUARDS AGREEMENTS BETWEEN  
THE AGENCY AND SUCH STATES:
2. INVITES SUCH STATES TO COMMUNICATE WITH THE DIRECTOR-  
GENERAL WITH A VIEW TO INITIATING NEGOTIATIONS TO THAT  
END.
3. REQUESTS THE DIRECTOR-GENERAL TO REPORT TO THE MEET-  
ING OF THE BOARD OF GOVERNORS IN JUNE 1976 ON THE  
PROGRESS MADE IN IMPLEMENTING THIS RESOLUTION.
9. ABOVE FORMULATIONS HAVE BEEN CONVEYED TO CANADA  
(FULFORD) AND FRANCE (DE NAZELLE) BY UK (THOMSON).  
BASED ON INITIAL READ OUT, SIGNALS LOOK ENCOURAGING  
THAT COMPROMISE WILL BE ACCEPTED BY BOTH COUNTRIES.  
MATTER IS BEING REFERRED TO CANADIAN PM AND ELYSEE  
FOR DECISION (WITH FAVORABLE RECOMMENDATIONS BY FULFORD  
AND DE NAZELLE); UK IS CONVEYING ABOVE FORMULATIONS,  
ASSESSMENT OF CANADIAN AND FRENCE REACTION, AND FACT  
OF US SUPPORT TO OTHER SUPPLIERS. MULTILATERAL

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SUPPLIERS MEETING LIKELY TO BE HELD FIRSTWEEKOF  
NOVEMBER. INGERSOLL

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## Message Attributes

**Automatic Decaptoning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NUCLEAR SAFEGUARDS, FUELING SYSTEMS, EXPORTERS, IMPORTERS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 OCT 1975  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** greeneet  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** LVNOSENZO/DS  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Original Handling Restrictions:** EXDIS  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** EXDIS  
**Reference:** n/a  
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**Review Authority:** greeneet  
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**To:** IAEA VIENNA MULTIPLE  
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